



## 2009 SENATE BILL 39

1     **AN ACT** *to amend* 45.40 (1) (a), 45.40 (2) (c) and 45.40 (3m) of the statutes;  
2           **relating to:** cash value of life insurance regarding eligibility for the veterans  
3           assistance program.

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*Analysis by the Legislative Reference Bureau*

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

4           **SECTION 1.** 45.40 (1) (a) of the statutes is amended to read:  
5           45.40 **(1)** (a) The department may provide subsistence payments to a veteran  
6           on a month-to-month basis or for a 3-month period. The department may pay  
7           subsistence aid for a 3-month period if the veteran will be incapacitated for more  
8           than 3 months and if earned or unearned income or aid from sources other than those  
9           listed in the application will not be available in the 3-month period. The department  
10          may provide subsistence payments only to a veteran who has suffered a loss of

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1 income due to illness, injury, or natural disaster. The department may grant  
2 subsistence aid under this subsection to a veteran whose loss of income is the result  
3 of abuse of alcohol or other drugs only if the veteran is participating in an alcohol and  
4 other drug abuse treatment program that is approved by the department. No  
5 payment may be made under this subsection if the veteran has other assets or income  
6 available to meet basic subsistence needs or if the veteran is eligible to receive aid  
7 from other sources to meet those needs. When determining the assets available to  
8 the veteran, the department may not include the first \$50,000 of cash surrender  
9 value of any life insurance.

10 **SECTION 2.** 45.40 (2) (c) of the statutes is amended to read:

11 45.40 **(2)** (c) The department may not provide health care aid under this  
12 subsection unless the aid recipient's health care provider agrees to accept, as full  
13 payment for the health care provided, the amount of the payment, the amount of the  
14 recipient's health insurance or other 3rd-party payments, if any, and the amount  
15 that the department determines the veteran is capable of paying. The department  
16 may not pay health care aid under this subsection if the liquid assets of the veteran  
17 are in excess of \$1,000. When determining the liquid assets of the veteran, the  
18 department may not include the first \$50,000 of cash surrender value of any life  
19 insurance.

20 **SECTION 3.** 45.40 (3m) of the statutes is amended to read:

21 45.40 **(3m)** RULES. The department shall promulgate rules establishing  
22 eligibility criteria and household income limits for payments under subs. (1), (2), and  
23 (2m). The department may not include in the rules establishing eligibility criteria

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1 and household income limits any consideration of the first \$50,000 of cash surrender  
2 value of any life insurance that is available to the veteran's household.

**3 (END)**